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TO RUEHC/SECSTATE WASHDC 2869

INFO RUEHWH/WESTERN HEMISPHERIC AFFAIRS DIPL POSTS

RUEAIIA/CIA WASHINGTON DC

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C O N F I D E N T I A L HAVANA 000158

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DEPT FOR WHA/CCA, DEPT FOR EEP/ESC/IEC (B. GLENN GRIFFIN)

E.O. 12958: DECL: 02/12/2018

TAGS: ECON SENV PINR PREL CU

SUBJECT: HAVANA RESPONSE TO STATE 10743

REF: STATE 10743

Classified By: COM: Michael E. Parmly: For reasons 1.4 b/d

¶1. (C) Following responses to questions posed in Reftel,
para 4:

-- A. The Pol/Econ Section handles energy matters.

-- B. The employees dealing with energy matters are: One Pol/Econ Officer who is responsible for the complete Econ-ESTH portfolio; and one Local Contract National (LCN) dedicated to economic issues. The percentage of time devoted by each to energy matters: P/E Officer: 20%; LCN: 20%.

-- C. Cuba is an energy-dependent island, and its ability to maintain and/or acquire energy sources -- as enablers of economic development -- can directly counter U.S. economic sanction goals. Specific to Cuba, reporting on energy matters includes: Development of energy infrastructure (oil and gas onshore and offshore exploration, drilling, production and distribution; oil refineries, pipelines, and storage facilities; electricity generation systems and facilities; energy conversion and conservation campaigns); Bilateral relationship with Venezuela (oil subsidies) and potential regional role; and various renewable energy projects. Personnel qualifications are in the area of general economics: P/E officer (Master in International Economics and graduate of FSI's 9-month Economic and Commercial Course); LCN: Ph.D. in Economics.

-- D. State Department funds spent during FY 2007 on energy related activities: FSO and LCN prorated salaries: USD 15,820. It should be noted that U.S. sanctions on Cuba also target the energy sector. Enforcement of the sanctions entails considerable funding, mainly from outside post, including the Department and other agencies, particularly Treasury Department's Office of Foreign Assets Control.

PARMLY